

Disability Compensation Fund

Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$29,990,504	\$27,959,000	\$29,600,000	5.9

The purpose of the Disability Compensation Fund is to provide the fiscal resources to administer the Workers' Compensation program for public sector employees, and pay the required claims costs of eligible claimants according to applicable District laws.

The Disability Compensation Fund is administered by the D.C. Office of Risk Management (DCORM). DCORM strives to reduce the District's overall cost of risk by integrating agency programs of systematic risk identification and analysis, selecting and implementing appropriate risk control strategies, and prudently financing anticipated and incurred losses into a District government integrated risk management program.

The DCORM generally manages the process of determining compensability of reported workplace injury or illness and funding of appropriate medical care and continued employment compensation for which the District government is liable, through conclusion of the disability period according to applicable District laws.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- Contain overall program costs.
- Formalize the philosophy, policies and procedures for prudent and professional financing of identified risks and incurred losses.
- Implement the DCORM core business process of Claims Management with cooperative litigation support for the Office of the Corporation Counsel (OCC).

Gross Funds

The proposed budget is \$29,600,000, an increase of \$1,641,000 or 5.9 percent from the FY 2004 approved budget of \$27,959,000. There are no FTEs for the agency.

General Fund

Local Funds. The proposed budget is \$29,600,000, an increase of \$1,641,000 or 5.9 percent from the FY 2004 approved budget of \$27,959,000. There are no FTEs for the agency.

Funding by Source

Table BG0-1 shows the source(s) of funding for the Disability Compensation Fund.

Table BG0-1

FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	27,701	29,991	27,959	29,600	1,641	5.9
Total for General Fund	27,701	29,991	27,959	29,600	1,641	5.9
Gross Funds	27,701	29,991	27,959	29,600	1,641	5.9

Expenditure by Comptroller Source Group

Table BG0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table BG0-2

FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
20 Supplies and Materials	60	142	33	33	0	0.0
40 Other Services And Charges	7,777	7,182	8,100	9,741	1,641	20.3
41 Contractual Services - Other	0	4,089	0	0	0	0.0
50 Subsidies And Transfers	19,863	18,595	19,826	19,826	0	0.0
Subtotal Nonpersonal Services (NPS)	27,701	29,991	27,959	29,600	1,641	5.9
Total Proposed Operating Budget	27,701	29,991	27,959	29,600	1,641	5.9

Changes from the FY 2004 approved budget are:

- An increase of \$1,641,000 in other services and charges to cover all of the disability compensation payments expected in FY 2005.

In FY 2004, the administrative functions of the Employees' Disability Fund were transferred to the D.C. Office of Risk Management (DCORM).

Programs

The Employees' Disability Fund was established by the District of Columbia Merit Personnel Act (D.C. Law 2-139, as amended). For District employees with eligible verified claims, payments are made from the fund for compensation for lost wages, medical services related to workplace injuries, and services such as vocational rehabilitation.